

CERTAIN DEPARTMENT FINANCIAL INFORMATION AND OPERATING DATA

Contracts of Purchase

Set forth below is certain financial information regarding Contracts of Purchase.

Existing Contracts of Purchase

The following charts describe the current loan to value ratios and geographic distribution of Contracts of Purchase financed under the Program as of June 30, 2007 using proceeds of Veterans G.O. Bonds, Revenue Bonds and other amounts under the 1943 Fund.

Current Loan-to-Value Ratio of Contracts of Purchase⁽¹⁾⁽²⁾

	<u>Uninsured</u>	<u>Radian Insured⁽³⁾</u>	<u>Radian Insured⁽⁴⁾⁽⁵⁾</u>	<u>VA Guaranteed</u>	<u>Total</u>
Single Family Homes					
Less than 30% LTV	\$ 71,538	\$ 1,278	\$ 195	\$ 320	\$ 73,331
30-49% LTV	127,201	4,690	712	1,406	134,009
50-59% LTV	99,914	5,038	638	1,341	106,931
60-69% LTV	128,243	24,935	2,452	2,320	157,950
70-79% LTV	188,156	61,959	20,158	11,698	281,971
Sub-total (below 80% LTV).....	\$ 615,052	\$ 97,900	\$ 24,155	\$ 17,085	\$ 754,192
80-84% LTV	\$ 8,304	\$ 19,213	\$ 55,725	\$ 20,104	\$ 103,346
85-89% LTV	7,931	16,794	131,802	39,789	196,316
90-94% LTV	10,992	2,225	158,332	42,488	214,037
95-97% LTV	1,446	-	25,892	26,200	53,538
Sub-total (80%-97% LTV)	\$ 28,673	\$ 38,232	\$ 371,751	\$ 128,581	\$ 567,237
Greater than 97% LTV	\$ 3,370	\$ -	\$ 445	\$ 135,503	\$ 139,318
Other Property Types					
Farms	\$ 3,197	\$ 175	\$ 1,177	\$ -	\$ 4,550
Mobile Homes in Parks	16,093	-	26,712	-	42,804
Homes under Construction	14,591	36	640	-	15,267
Sub-total (other property types)	\$ 33,881	\$ 210	\$ 28,529	\$ -	\$ 62,621
Special Status Contracts of Purchase					
Real Estate Owned ⁽⁶⁾	\$ 1,000	\$ 39	\$ 2,316	\$ 1,847	\$ 5,202
Disability Program ⁽⁷⁾	\$ 6,099	\$ 658	\$ -	\$ -	\$ 6,757
Sub-total (special status)	\$ 7,099	\$ 697	\$ 2,316	\$ 1,847	\$ 11,959
Total Portfolio	\$ 688,075	\$ 137,040	\$ 427,196	\$ 283,016	\$ 1,535,327

⁽¹⁾ Amounts in thousands.

⁽²⁾ LTV based on current Contracts of Purchase balance divided by original appraised value of the property, except when the Department updates the appraised value of the home when the veteran applies for a home improvement loan. In such cases, the LTV is calculated with the new appraised value.

⁽³⁾ The policy was executed on February 28, 1998.

⁽⁴⁾ Radian Guaranty, Inc. See "THE PROGRAM – Program Insurance – Primary Mortgage Insurance."

⁽⁵⁾ The policy was executed on July 1, 2000.

⁽⁶⁾ Repossessed properties and delinquent Contracts of Purchase carried as REO on financial statements.

⁽⁷⁾ Contracts of Purchase where payments are made on behalf of veterans by the Department's life and disability coverage plan.

Primary Mortgage Insurance Coverage

The Radian-insured Contracts of Purchase are divided into four sub-groups. The following table describes the sub-groups and Contracts of Purchase placed with Radian as of September 30, 2007.

Group	Approximate Contracts of Purchase Origination Dates	Total Contracts of Purchase	Percentage of Radian Insured Portfolio ⁽¹⁾	Percentage of Total Portfolio ⁽¹⁾	Loan-to-Value Ratio ⁽²⁾	Original Aggregate Sub-group Deductible	Remaining Aggregate Sub-group Deductible
1	Prior to 2/2/1998	1,053	15%	6%	67%	\$ 14,024,312	\$12,644,907
2	2/3/1998 – 10/30/1998	73	1	1	75	2,101,257	2,050,971
3	11/1/1998 – 9/30/2000	357	8	3	82	1,081,584	1,081,584
4	10/1/2000 – present ⁽³⁾	2,224	76	29	87	23,647,561	23,527,755
	Total	3,707	100%	39%	78%		

Source: Department of Veterans Affairs.

⁽¹⁾ Percentage based on outstanding Contract of Purchase principal amounts.

⁽²⁾ Calculated as the ratio of the outstanding principal amount of the aggregate Contracts of Purchase during the applicable period as compared to the aggregate appraised value of the properties subject to such Contracts of Purchase at origination.

⁽³⁾ The number of Contracts of Purchase in this group continues to increase as a result of new originations.

Geographic Distribution of Contracts of Purchase

County	Approximate Current Contract Balance as of June 30, 2007
Riverside	\$ 165,319,338
San Diego	142,397,351
Sacramento	129,162,790
San Bernardino	108,611,576
Kern	95,016,967
Fresno	94,942,000
Los Angeles	94,402,214
Shasta	52,678,805
Solano	39,775,125
Placer	36,307,917
San Joaquin	35,561,713
Orange	31,518,089
Contra Costa	22,467,443
Other Northern California Counties	260,895,713
Other Central California Counties	186,840,063
Other Southern California Counties	39,429,087
Statewide – California	\$ 1,535,326,192

Contracts of Purchase Origination and Principal Repayment Experience

The following tables represent, respectively, a historical picture of Contract of Purchase originations and selected principal repayments with respect to Contracts of Purchase since the 1990 fiscal year.

New Contracts of Purchase During the Fiscal Year

Fiscal Year Ending June 30	Veterans G.O. Bonds		Unrestricted Funds		Revenue Bonds		Total	
	<u>Number⁽¹⁾</u>	<u>Amount</u>	<u>Number⁽¹⁾</u>	<u>Amount</u>	<u>Number⁽¹⁾</u>	<u>Amount</u>	<u>Number⁽¹⁾</u>	<u>Amount</u>
1990	2,097	\$ 187,445,600			522	\$ 38,150,800	2,619	\$ 225,596,400
1991	1,927	200,393,500			359	29,189,600	2,286	229,583,100
1992	1,086	111,600,500			388	34,671,600	1,474	146,272,100
1993	740	94,417,100			286	27,443,800	1,026	121,860,900
1994	843	117,213,779			337	34,740,536	1,180	151,954,315
1995	2,109	286,178,376			822	84,860,894	2,931	371,039,270
1996	762	107,751,444			222	22,723,617	984	130,475,061
1997	766	118,344,636			201	21,853,933	967	140,198,569
1998	615	99,224,002	188	\$ 17,716,376	164	18,871,066	967	135,811,444
1999	758	129,521,359	575	92,728,280	274	33,284,343	1,607	255,533,982
2000	1,045	185,180,534	1,725	333,328,690	708	92,214,409	3,478	610,723,633
2001	844	135,498,480	1,211	232,445,146	697	101,175,512	2,752	469,119,138
2002	334	57,109,103	416	74,798,670	204	27,178,525	954	159,086,298
2003	357	68,105,508	508	99,179,927	123	16,285,625	988	183,571,060
2004	444	97,223,818	1173	274,187,085	165	26,109,792	1782	397,520,696
2005	285	72,958,181	702	181,075,275	178	37,152,048	1165	291,185,504
2006	198	48,999,641	898	230,993,270	5	831,638	1101	280,824,549
2007	74	19,751,777	764	173,744,639	68	11,349,372	906	204,845,788

⁽¹⁾ Number of new Contracts of Purchase does not include home improvement loans.

**Selected Principal Flows with respect to Contracts of Purchase
Funded by both Veterans G.O. Bonds and Revenue Bonds
(Dollar Amounts in Thousands)**

Fiscal Year Ending June 30	Contracts Funded During Year	Contract Prepayments During Year	Other Principal Receipts-Losses During Year	Contract Balance at End of Year	Average Rate on all Outstanding Contracts	Average of Monthly FHLMC 30-year Conventional Loan Rate	Annual Average Prepayment Rate	Annual Average Origination Rate
	Principal Flows				Rates			
1990	\$ 225,596	\$ 232,085	\$ 96,639	\$ 3,037,766	8.0%	10.1%	7.5%	7.3%
1991	229,583	191,895	92,722	2,982,732	8.0	9.9	6.4	7.6
1992	146,272	246,150	92,975	2,789,879	8.0	9.0	8.5	5.1
1993	121,861	273,817	105,629	2,532,294	8.0	8.0	10.3	4.6
1994	151,954	359,749	98,773	2,225,726	8.0	7.3	15.1	6.4
1995	371,039	111,984	74,706	2,410,075	7.8	8.7	4.8	16.0
1996	130,475	141,767	92,521	2,306,262	8.0	7.5	6.0	5.5
1997	140,199	111,254	106,027	2,229,180	8.0	7.9	4.9	6.2
1998	135,812	172,134	94,106	2,098,752	7.7	7.2	8.0	6.3
1999	255,534	183,776	101,254	2,069,256	6.9	6.9	8.8	12.3
2000	610,724	138,401	106,522	2,435,056	6.8	8.1	6.1	27.1
2001	469,119	189,902	91,033	2,623,241	6.8	7.5	7.5	18.5
2002	158,982	330,068	86,556	2,365,599	6.8	6.9	13.2	6.4
2003	183,496	701,785	74,643	1,772,667	6.7	5.9	33.9	8.9
2004	397,521	576,907	53,833	1,539,448	6.3	5.9	34.8	24.0
2005	291,186	272,044	70,564	1,488,026	5.9	5.8	18.0	19.2
2006	280,825	204,037	51,481	1,513,333	5.8	6.2	13.6	18.7
2007	204,846	132,207	50,244	1,596,475	5.8	6.4	8.7	13.2
	<u>\$ 4,505,024</u>	<u>\$ 4,569,962</u>	<u>\$ 1,540,228</u>					

Reservation rates on new Contracts of Purchase for period:

<u>Period</u>	<u>Veterans G.O. Bonds⁽¹⁾</u>	<u>Unrestricted Funds</u>	<u>Revenue Bonds</u>
Prior to January 1, 1999, substantially all newly originated Contracts have the same rate as the then outstanding Contracts.			
January 1, 1999 through June 30, 2000	6.65%	6.65%	5.95%
July 1, 2000 through February 28, 2001	7.50%	7.95%	6.95%
March 1, 2001 through May 31, 2001	6.50%	7.95%	6.40%
June 1, 2001 through August 31, 2001	6.50%	7.10%	6.40%
September 1, 2001 through April 1, 2002	6.25%	6.50%	6.00%
April 2, 2002 through July 31, 2002	5.90%	5.50%	5.80%
August 1, 2002 through December 1, 2002	5.50%	6.00%	5.80%
December 2, 2002 through June 15, 2003	4.99%	5.40%	5.25%
June 16, 2003 through September 1, 2003	4.25%	4.50%	4.50%
September 1, 2003 through September 15, 2003	4.25%	4.99%	4.50%
September 16, 2003 through May 5, 2004	4.50%	4.99%	4.50%
May 6, 2004 through June 1, 2004	4.75%	5.25%	4.75%
June 2, 2004 through December 13, 2004	4.95%	5.50%	5.10%
December 14, 2004 through April 3, 2005	4.95%	5.50%	5.50%
April 4, 2005 through December 9, 2005	5.15%	5.50%	5.50%
December 10, 2005 through February 5, 2006	5.50%	5.50%	5.50%
February 6, 2006 through March 14, 2006	5.70%	5.70%	5.70%
March 15, 2006 through April 25, 2006	6.00%	6.00%	6.00%
April 26, 2006 through July 5, 2006	6.25%	6.25%	6.25%
July 6, 2006 through December 19, 2006	6.50%	6.50%	6.50%
December 20, 2006 through March 15, 2007	5.50%	6.10%	5.75%
March 16, 2007 through July 9, 2007	5.50%	6.10%	5.25%
July 10, 2007 through August 12, 2007	5.50%	6.45%	5.25%
August 13, 2007 through October 14, 2007	5.50%	6.55%	5.25%
October 15, 2007 through Present	5.50%	6.55%	5.45%

⁽¹⁾ Rates for contracts of purchase for mobile home in parks are 1% higher than the applicable established rates.

Amounts Expected to be Available to Fund Contracts of Purchase and Related Investments

The following table shows amounts expected to be available to fund Contracts of Purchase from Veterans G.O. Bonds and Revenue Bonds. Additional monies may become available to finance Contracts of Purchase through the future issuances of Veterans G.O. Bonds and Revenue Bonds. The Department has full discretion to use moneys available from prior, current or future bond issues in any order of priority it chooses. As of September 30, 2007, the Department had 336 pending applications for Contracts of Purchase in the aggregate amount of approximately \$86,073,405.

Amounts Expected to be Available to Fund Contracts of Purchase ⁽¹⁾

	Unrestricted Moneys			Qualified Veterans Mortgage Bond Proceeds			Qualified Mortgage Bond Proceeds			Current or expected Investment	Contracted Investment Rate (%)
	Amount On Deposit on June 30, 2007	Amounts Expected to be Deposited or Applied to Contracts through December 6, 2007	Amount Expected to be Available on December 6, 2007	Amount On Deposit on June 30, 2007	Amounts Expected to be Deposited or Applied to Contracts through December 6, 2007	Amount Expected to be Available on December 6, 2007	Amount On Deposit on June 30, 2007	Amounts Expected to be Deposited, Transferred or Applied to Contracts through December 6, 2007	Amount Expected to be Available on December 6, 2007		
Veterans G.O. Bond Proceeds and Recycling Subaccounts											
Unrestricted	\$ 234,424	\$ 108,406	\$ 342,830	\$ 0	\$ 0	\$ 0				SMIF ⁽²⁾⁽³⁾	Variable
Series CC/CD	0	0	0	45,379	(26,823)	18,556				SMIF ⁽²⁾	Variable
Series CE	0	0	0	0	4,900	4,900				SMIF ⁽²⁾⁽³⁾	Variable
Other G.O. Bond Series	0	0	0	3,109	(91)	3,017				Various ⁽⁴⁾	Various
Total	\$ 234,424	\$ 108,406	\$ 342,830	\$ 48,488	\$ (22,014)	\$ 26,473					
Revenue Bond Proceeds and Recycling Subaccounts											
1997 Series C							\$ 7,175	\$ (163)	\$ 7,012	SMIF ⁽²⁾	Variable
2007 Series A							134,339	(96,008) ⁽⁵⁾	38,331	SMIF ⁽²⁾⁽³⁾	Various
2007 Series B							0	99,000 ⁽⁵⁾	99,000	SMIF ⁽²⁾	
Other Revenue Bond Series ..	\$ 1,290	\$ -	\$ 1,290				0	0	0	Various ⁽⁴⁾	Variable
Total	\$ 1,290	\$ -	\$ 1,290				\$ 141,514	\$ 2,829	\$ 144,343		
Grand Total	\$ 235,715	\$ 108,406	\$ 344,120	\$ 48,488	\$ (22,014)	\$ 26,473	\$ 141,514	\$ 2,829	\$ 144,343		

⁽¹⁾ 000's omitted

⁽²⁾ Surplus Money Investment Fund. Amounts invested in SMIF may be withdrawn and reinvested at any time.

⁽³⁾ A portion of these funds may be withdrawn from SMIF and reinvested in other Investment Obligations subsequent to the issuance of the 2007 Revenue Bonds.

⁽⁴⁾ A portion of these funds are, or may be, placed in several investment agreements with different providers.

⁽⁵⁾ Includes transfer of \$50,000,000 in connection with partial refunding of 2007 Series A Bonds by 2007 Revenue Bonds.

Cancellations and Delinquencies

Set forth in the table below is a comparative chart of delinquent, cancelled and repossessed Contracts of Purchase and certain comparative information regarding USDVA guaranteed loans during the same period.

	<u>1998⁽¹⁾</u>	<u>1999⁽¹⁾</u>	<u>2000⁽²⁾</u>	<u>2001⁽²⁾</u>	<u>2002⁽²⁾</u>	<u>2003⁽²⁾</u>	<u>2004⁽²⁾</u>	<u>2005⁽²⁾</u>	<u>2006⁽²⁾</u>	<u>2007⁽²⁾</u>
Percentage of Number of Contracts of Purchase										
Delinquent										
30-60 days ⁽³⁾	-- ⁽⁶⁾	-- ⁽⁶⁾	3.91% ⁽³⁾	4.24% ⁽³⁾	3.52% ⁽³⁾	3.13% ⁽³⁾	2.97% ⁽³⁾	3.18% ⁽³⁾	2.93% ⁽³⁾	2.68% ⁽³⁾
60+ days ⁽³⁾	-- ⁽⁶⁾	-- ⁽⁶⁾	2.88% ⁽³⁾	3.16% ⁽³⁾	2.43% ⁽³⁾	2.03% ⁽³⁾	1.43% ⁽³⁾	1.48% ⁽³⁾	0.85% ⁽³⁾	1.13% ⁽³⁾
Cancelled Contracts and Real Estate in inventory ⁽⁴⁾	-- ⁽⁶⁾	-- ⁽⁶⁾	0.72% ⁽³⁾	0.69% ⁽³⁾	0.41% ⁽³⁾	0.32% ⁽³⁾	0.22% ⁽³⁾	0.12% ⁽³⁾	0.10% ⁽³⁾	0.21% ⁽³⁾
USDVA Guaranteed Loans⁽⁵⁾										
Percentages in U.S.										
Delinquent										
30-60 days	4.45%	4.35%	4.19%	4.71%	4.87%	4.83%	4.53%	4.49%	3.81%	3.66%
60+ days	2.35%	2.26%	2.25%	2.65%	2.85%	3.15%	2.90%	3.10%	2.53%	2.44%
Foreclosures in inventory	1.77%	1.82%	1.44%	1.20%	1.72%	1.49%	1.45%	1.50%	1.10%	1.02%
Percentages in California										
Delinquent										
30-60 days	4.28%	4.13%	4.05%	4.57%	4.57%	4.67%	4.09%	3.52%	2.92%	2.56%
60+ days	2.61%	2.45%	2.27%	2.49%	2.57%	2.79%	2.34%	2.11%	1.30%	1.33%
Foreclosures in inventory	2.92%	2.28%	1.39%	0.93%	1.12%	0.93%	0.69%	0.60%	0.36%	0.44%

⁽¹⁾ As of June 18 for Department data and as of June 30 for USDVA data.

⁽²⁾ As of June 30 for the Department and for USDVA data.

⁽³⁾ The Department has adjusted the criteria used to identify delinquent contracts from \$25 or more delinquent to over \$3 delinquent. The data below represents the breakout of delinquent, repayment/forbearance agreements and cancelled contracts and real estate in inventory. These figures include contracts that were the subject of forbearance or repayment agreements between the Department and the contract holder.

⁽⁴⁾ Bankruptcies are included in cancelled Contracts statistics and do not exceed in any period more than 10% of total cancellations and bankruptcy category. Federal bankruptcy law precludes repossession action of Contracts of Purchase when veteran is in bankruptcy proceedings until the automatic stay is lifted.

⁽⁵⁾ Source: National Delinquency Survey published by the Mortgage Bankers Association of America.

	<u>2002⁽²⁾</u>	<u>2003⁽²⁾</u>	<u>2004⁽²⁾</u>	<u>2005⁽²⁾</u>	<u>2006⁽²⁾</u>	<u>2007⁽²⁾</u>
Percentage of Number of Contracts of Purchase						
Delinquent, Repayment/Forbearance						
Agreements, and Cancelled Contracts and Real						
Estate in inventory						
30-60 days (Delinquent)	2.95%	2.77%	2.72%	2.96%	2.84%	2.56%
30-60 days (Repayment/Forbearance Agreement)	0.57%	0.36%	0.25%	0.22%	0.09%	0.12%
Total	3.52%	3.13%	2.97%	3.18%	2.93%	2.68%
60+ days (Delinquent)	1.38%	1.32%	1.08%	1.17%	0.75%	1.03%
60+ days (Repayment/Forbearance Agreement)	1.05%	0.71%	0.35%	0.31%	0.10%	0.10%
Total	2.43%	2.03%	1.43%	1.48%	0.85%	1.13%
Cancelled Contracts and Real Estate in inventory	0.39%	0.31%	0.19%	0.12%	0.10%	0.21%
"Repayment/Forbearance Agreement"	0.02%	0.01%	0.03%	0.00%	0.00%	0.00%
Total	0.41%	0.32%	0.22%	0.12%	0.10%	0.21%

⁽⁶⁾ The data below represents the Department's reporting method prior to the June 30, 1999 implementation of the Integrated Loan Processing and Financial Information System. The Department's prior reporting system did not treat contracts that were the subject of forbearance or repayment agreements between the Department and the contract holder as delinquent. As a result, contracts that were the subject of forbearance or repayment agreements are not included in the 40-68+ days delinquent categories, but were included in the cancelled contracts category. Since the installation of the Integrated Loan Processing and Financial Information System, the Department reports delinquencies on a basis consistent with industry standards.

	<u>1998⁽¹⁾</u>	<u>1999⁽¹⁾</u>
Percentage of Number of Contracts of Purchase		
Delinquent		
40-67 days	0.78%	0.87%
68+ days	1.99%	1.34%
Cancelled Contracts and Real Estate in inventory ⁽⁴⁾	1.49%	0.94%

Veterans G.O. Bonds and Revenue Bonds

The chart below sets forth certain information regarding Veterans G.O. Bonds and Revenue Bonds.

Selected Information with Respect to Veterans G.O. Bonds and Revenue Bonds

Series	Bonds Outstanding as of June 30, 2007	Expected Bonds Outstanding as of February 1, 2008	Final Maturity Date of Series as of February 1, 2008	Next Optional Call as of February 1, 2008	Call Price on Such Date	Maximum Coupon subject to Optional Call	Bonds Subject to Special Redemption ⁽¹⁾
Veterans G.O. Bonds Issued as Qualified Veterans Mortgage Bonds under the 1954 Code							
AM	\$ 10,000,000	\$ 5,000,000	October 1, 2008	Non-callable	N.A.	N.A.	No
AN	14,000,000	14,000,000	April 1, 2009	Non-callable	N.A.	N.A.	No
AP	7,000,000	7,000,000	April 1, 2009	Non-callable	N.A.	N.A.	No
AQ	21,000,000	10,500,000	October 1, 2008	Non-callable	N.A.	N.A.	No
AR	20,000,000	19,000,000	October 1, 2009	Non-callable	N.A.	N.A.	No
AS	22,000,000	7,000,000	October 1, 2009	Non-callable	N.A.	N.A.	No
AT	63,705,000	44,020,000	February 1, 2010	Non-callable	N.A.	N.A.	No
AU	50,670,000	38,820,000	October 1, 2010	Non-callable	N.A.	N.A.	No
AV	34,355,000	26,190,000	October 1, 2010	Non-callable	N.A.	N.A.	No
Sub-total	\$ 242,730,000	\$ 171,530,000					
Veterans G.O. Bonds and Notes Issued as Qualified Veterans Mortgage Bonds under the 1986 Code							
BG/BH	\$ 208,560,000	\$ 204,455,000	December 1, 2016	December 1, 2008	101%	5.400%	Excess Revenues
BJ7	2,855,000	2,835,000	December 1, 2012	December 1, 2009	101%	5.625%	Excess Revenues
BJ9	6,500,000	6,490,000	December 1, 2016	April 27, 2010	101%	5.600%	Excess Revenues
BP	2,220,000	2,220,000	December 1, 2026	Anytime	100%	5.500%	Excess Revenues
BQ/BR	48,630,000	48,630,000	December 1, 2029	Anytime	100%	5.300%	Excess Revenues
BS	1,000,000	1,000,000	December 1, 2008	Non-callable	N.A.	N.A.	Excess Revenues
BJ11/12	56,290,000	56,250,000	December 1, 2032	— ⁽²⁾	— ⁽²⁾	5.700%	Excess Revenues
BT/BU	21,265,000	21,265,000	December 1, 2015	Anytime	100%	5.100%	Excess Revenues
BV/BW	7,150,000	7,050,000	December 1, 2013	Anytime	100%	5.150%	Excess Revenues
BX	30,310,000	30,210,000	December 1, 2032	Anytime	100%	5.500%	Excess Revenues
BY/BZ	111,325,000	111,325,000	December 1, 2024	Anytime	101%	5.375%	Excess Revenues
CA/CB	221,475,000	221,475,000	December 1, 2036	June 1, 2015	100%	5.050%	Excess Revenues
CC/CD	359,160,000	359,160,000	December 1, 2040	December 1, 2015	100%	4.600%	Excess Revenues/Unexpended
CE	0	91,200,000	December 1, 2042	December 1, 2015	100%	5.100%	Excess Revenues/Unexpended
Sub-total	\$ 1,076,740,000	\$ 1,163,565,000					
Commercial Paper	\$ 16,000,000	\$ 0	N.A.	N.A.	N.A.	Variable	N.A.
Total Veterans G.O. Bonds	\$ 1,335,470,000	\$ 1,335,095,000					

Series	Bonds Outstanding as of June 30, 2007	Expected Bonds Outstanding as of February 1, 2008	Final Maturity Date of Series as of February 1, 2008	Next Optional Call as of February 1, 2008	Call Price on Such Date	Maximum Coupon subject to Optional Call	Bonds Subject to Special Redemption ⁽¹⁾
Revenue Bonds Issued as Qualified Mortgage Bonds under the 1986 Code							
1997 A/B	\$ 18,140,000	\$ 17,710,000	December 1, 2028	December 1, 2008	101%	5.500%	Excess Revenues
1997 C	33,925,000	30,975,000	December 1, 2019	January 9, 2011	101%	5.500%	Excess Revenues
1998 A	16,925,000	15,100,000	December 1, 2019	December 1, 2008	101%	5.450%	Excess Revenues
2007 A	139,715,000	89,715,000	December 1, 2042	December 1, 2016	100%	5.000%	Excess Revenues/Unexpended
2007 B	0	100,000,000	December 1, 2037	December 1, 2016	100%	5.250%	Excess Revenues/Unexpended
Sub-total	\$ 208,705,000	\$ 253,500,000					
Revenue Bonds Issued to Refund Bonds Issued Prior to Mortgage Subsidy Bond Tax Act of 1980							
1999 A	\$ 25,160,000	\$ 25,160,000	December 1, 2027	Anytime	100%	5.200%	Excess Revenues
1999 B	43,210,000	43,210,000	December 1, 2028	Anytime	100%	5.200%	Excess Revenues
2002 A	117,200,000	117,200,000	December 1, 2027	June 1, 2012	101%	5.350%	Excess Revenues
2003 A-3	92,000,000	92,000,000	December 1, 2028	November 30, 2011	101%	4.600%	Excess Revenues
2005 A	42,600,000	42,600,000	December 1, 2027	June 1, 2015	100%	4.800%	Excess Revenues
2006 A	144,360,000	144,360,000	December 1, 2028	November 30, 2011	101%	4.600%	Excess Revenues
Sub-total	\$ 464,530,000	\$ 464,530,000					
Total Revenue Bonds	\$ 673,235,000	\$ 718,030,000					
Total All Bonds	\$ 2,008,705,000	\$ 2,053,125,000					

⁽¹⁾ Excess Revenues includes principal prepayments.

⁽²⁾ The \$18,555,000 BJ-11/12 Serial Bonds maturing on December 1, 2011 through and including December 1, 2016 are subject to optional redemption on December 19, 2010, initially at 101% of the principal amount thereof, declining to par on and after December 19, 2011. The \$37,575,000 BJ-11/12 Term Bonds maturing on December 1, 2018 and December 1, 2032 are subject to optional redemption from December 19, 2007, initially at 101% of the principal amount thereof, declining to par on and after December 19, 2008.

Additional Investments

In addition to the investments described above under “Contracts of Purchase – Amounts Expected to be Available to Fund Contracts of Purchase and Related Investments,” the following investments have been made or will be made with respect to moneys in the 1943 Fund and in the Bond Reserve Account which secures the Revenue Bonds. Additional moneys in various Funds and Accounts in the 1943 Fund have been invested in SMIF. Amounts invested in SMIF may be withdrawn and reinvested at any time.

<u>Bond Series</u>	<u>Account Designation⁽¹⁾</u>	<u>Amount (000s)</u>	<u>Investment Provider⁽¹⁾</u>	<u>Initial Investment Date</u>	<u>Investment Maturity Date</u>	<u>Interest Rate (%)</u>	<u>Bond Series</u>	<u>Account Designation⁽¹⁾</u>	<u>Amount (000s)</u>	<u>Investment Provider⁽¹⁾</u>	<u>Initial Investment Date</u>	<u>Investment Maturity Date</u>	<u>Interest Rate (%)</u>
1997/1998	Reserve	\$5,251 ⁽²⁾	Societe Generale	3/26/98	12/1/28	5.75	BJ 7/8	Revenue/ Recycling	variable ⁽³⁾	Bayerische Landesbank Girozentrale	12/1/99	12/1/32 ⁽³⁾	6.06
1999 A/B	Reserve	\$9,817 ⁽²⁾	Westdeutsche Landesbank Girozentrale	3/30/99	12/1/28	5.38	1991 A	Revenue/ Recycling	variable ⁽³⁾	Bayerische Landesbank Girozentrale	12/1/99	12/1/32 ⁽³⁾	6.06
1997 C	Reserve	\$5,733 ⁽²⁾	Westdeutsche Landesbank Girozentrale	1/1/01	12/1/19	5.625	BJ 9/10	Revenue/ Recycling	variable ⁽⁴⁾	Westdeutsche Landesbank Girozentrale	4/27/00	12/1/32 ⁽⁴⁾	6.46
2002 A	Reserve	\$3,759 ⁽²⁾	Bayerische Landesbank Girozentrale	3/6/02	12/1/27	5.38	BS	Revenue	variable ⁽⁴⁾	Westdeutsche Landesbank Girozentrale	4/27/00	12/1/32 ⁽⁴⁾	6.46
BG/BH/BK/BL	Revenue/ Recycling	variable ⁽⁵⁾	Societe Generale	12/29/97	12/1/32	5.91	BJ 11/12	Revenue/ Recycling	variable ⁽⁶⁾	Westdeutsche Landesbank Girozentrale	12/19/00	12/1/32 ⁽⁶⁾	5.50
1997/1998	Revenue/ Restricted Recoveries	variable	Societe Generale	3/26/98	12/1/28	5.91	BT/BU	Revenue/ Recycling	variable ⁽⁷⁾	Westdeutsche Landesbank Girozentrale	12/19/00	12/1/26 ⁽⁷⁾	5.50
BP/BN-1	Revenue/ Recycling	variable ⁽⁸⁾	Westdeutsche Landesbank Girozentrale	5/5/98	12/1/28	5.38	1997 C	Revenue/ Restricted Recoveries	variable ⁽⁹⁾	Westdeutsche Landesbank Girozentrale	1/9/01	12/1/19	5.50
1999 A/B	Revenue/ Recycling	variable ⁽¹⁰⁾	Bayerische Landesbank Girozentrale	3/30/99	12/1/28	5.30	BV/BW	Revenue/ Recycling	variable ⁽¹¹⁾	Bayerische Landesbank Girozentrale	6/20/01	12/1/32 ⁽¹¹⁾	5.67
BQ/BR	Revenue/ Recycling	variable ⁽¹²⁾	Westdeutsche Landesbank Girozentrale	4/28/99	12/1/29	5.37	2001 A	Revenue/ Recycling	variable ⁽¹¹⁾	Bayerische Landesbank Girozentrale	6/20/01	12/1/32 ⁽¹¹⁾	5.67
							BX	Revenue/ Recycling	variable ⁽¹¹⁾	Bayerische Landesbank Girozentrale	6/20/01	12/1/32 ⁽¹¹⁾	5.67

⁽¹⁾ Accounts are established in the resolutions authorizing the issuance of Revenue Bonds. All investments are investment agreements unless otherwise noted.

⁽²⁾ As of June 30, 2007.

⁽³⁾ Maximum permitted amount on deposit under investment agreement for all (BJ 7/8 and 1991 A) subaccounts is \$25,000,000. Investment maturity date for the recycling subaccounts is December 1, 2009.

⁽⁴⁾ Maximum permitted amount on deposit under investment agreement for all three (BJ 9/10, and BS) subaccounts is \$20,000,000. Investment maturity date for BJ-9/10 G.O. Bond Series Recycling Subaccount is June 1, 2010.

⁽⁵⁾ Maximum permitted amount on deposit under investment agreement at any one time is \$250,000,000.

⁽⁶⁾ Maximum permitted amount on deposit under investment agreement for both subaccounts is \$25,000,000. Investment maturity date for BJ-11/12 G.O. Bond Series Recycling Subaccount is December 1, 2010.

⁽⁷⁾ Maximum permitted amount on deposit under investment agreement for both subaccounts is \$20,000,000. Investment maturity date for BT/BU G.O. Bond Series Recycling Subaccount is December 1, 2010.

⁽⁸⁾ Maximum permitted amount on deposit under investment agreement for all (BN-1 and BP) subaccounts is \$50,000,000.

⁽⁹⁾ Maximum permitted amount on deposit under investment agreement for both subaccounts is \$97,130,000.

⁽¹⁰⁾ Maximum permitted amount on deposit under investment agreement for both subaccounts is \$75,000,000.

⁽¹¹⁾ Maximum permitted amount on deposit under investment agreement for all (BV/BW, 2001 A and BX) subaccounts is \$25,000,000. Investment maturity date for all (BV/BW, 2001 A and BX) recycling subaccounts is December 1, 2011.

⁽¹²⁾ Maximum permitted amount on deposit under investment agreement for both subaccounts is \$35,000,000.